



Policy Title:	Reduction in Force
Policy Number:	FAST-213
Revision Date:	September 2023
Policies Superseded:	1221; HREO-121
Policy Management Area(s):	Human Resources and Equal Opportunity

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## **POLICY:**

I. This policy describes the manner in which employees in classified and unclassified FTE non-academic positions at Coastal Carolina University (CCU) will be released if a reduction in force (RIF) becomes necessary, pursuant to State Human Resources Regulations. A RIF may require the separation, involuntary demotion, reassignment or reduction in work hours of an agency's covered employees. A reduction in force does not apply to non-covered employees (e.g., probationary employees, research grant, temporary grant employees, temporary personnel, time-limited project employees) and employees exempt from the State Employee Grievance Procedure Act as defined in Section 8-17-370 of the SC Code of Laws.

## **II. MANAGEMENT RESPONSIBILITY**

- A. The University shall determine the following items prior to developing the reduction in force plan:
1. What is the reason(s) for the reduction in force;

2. What areas(s) of the agency are to be impacted by the reduction in force [Competitive Area(s)];
  3. What state class title(s) within the competitive area(s) are to be affected [Competitive Group(s)]; and
  4. How many positions in each state class title(s) are to be eliminated.
- B. University administration must decide what positions are required, where they are to be located, and when they are to be filled, abolished or vacated.
- C. The administration may reassign, demote, reduce the work hours/workweeks of an employee or eliminate an employee's position whenever it is necessary. Reasons may include, but are not limited to, shortages of work, loss of funds, organizational change, or restructuring, outsourcing, or privatization.

### III. THE REDUCTION IN FORCE PLAN

- A. Competitive Area(s)
1. The president or designee will define the competitive areas which will be affected by the reduction in force.
  2. The competitive area may be the entire University, a specific program or unit, a department or a geographical location of the University.
  3. In establishing the competitive areas, it is permissible to consider that staff in some areas are separately organized and clearly distinguishable from staff in other areas so that an interchange would not be feasible.
- B. Competitive Group(s)
1. The president or designee shall determine the competitive groups based on the state class titles, within the competitive areas that the reduction in force will affect.
  2. If the reduction in force is to apply to more than one state class title, each title will be treated separately except where reductions are to be made in a series of related state class titles or in state class titles that are part of the University's customary career path.
- C. The order in which a position is to be eliminated or otherwise affected will be determined by a reduction in force plan, which must include the identification of competitive areas as determined by:
1. state class title;
  2. state class code;
  3. pay band, if applicable;
  4. total number of positions in the state class title within the competitive area; and
  5. total number of positions in the state class title within the competitive area to be eliminated.

- D. Prior to the separation, reassignment, involuntary reduction in hours or weeks, or demotion of any employee by a reduction in force, Human Resources and Equal Opportunity (HREO) will prepare a reduction in force plan. The plan must include:
1. The reason for the reduction in force that identifies the positions to be affected;
  2. the proposed area of reduction in force that includes:
    - a. The competitive areas and the competitive groups (state class titles) within the area;
    - b. The number of position(s) in each state title and the total number of positions to be eliminated in each title.
    - c. a list of covered employees that shows the preliminary order of retention in each competitive group (state class title, code and pay band) and that includes the following information:
      - 1) name
      - 2) race,
      - 3) gender,
      - 4) age and
      - 5) retention points;
    - d. the justification of any retention that may be applicable under Retention of Necessary Qualifications, Section V.E. of this policy;
    - e. a current organization chart of the competitive areas;
    - f. a sample letter to affected employees of the reduction in force; and
    - g. a description of the efforts that will be made to assist employees whose positions are being eliminated find other employment.

#### IV. Approval Process

Once the reduction in force plan has been completed, the University shall submit the following information to the Division of State Human Resources for review and approval for procedural correctness: The reduction in force plan as outlined in Section III;

A. An organizational chart including each position (designated with the state class title and incumbent's name) within the competitive area(s);

B. A copy of the University's reduction in force policy; and

C. A sample letter to employees affected by the reduction in force, including information as outlined in Section VII, along with:

1. A list of the employee's recall and reinstatement rights;
2. The agency's procedure for the recall of an employee; and
3. The employee's grievance rights.

## V. RETENTION POINTS

- A. HREO will calculate retention points for covered employees in the competitive areas and competitive groups to be used in determining which covered employees are to be involuntarily demoted, reassigned, have reduced hours or separated. Retention points will be based on the most recent performance rating and the length of continuous state service. The sum of the retention points for performance and length of continuous state service are the total retention points used in the calculation.
- B. Performance rating points will be assigned as shown below.
1. Evaluations completed will use the following values:
    - a. exceptional – 3 points;
    - b. successful – 1 point; and
    - c. unsuccessful – 0 points
  2. HREO will recognize the performance ratings for current state employees transferring to this University by the conversion chart in the preceding agency's RIF policy.
  3. For any year in which an employee does not receive an actual evaluation with a rating, the employee will receive a Successful rating for that year; however, if the employee received a higher than Successful rating in the immediately preceding annual evaluation period, the employee will receive the points for the higher rating.
- C. Continuous state service points will be awarded as follows:
1. Covered employees will receive one retention point for each year of continuous state service after completion of a 12-month probationary period.
  2. Six months or more of continuous state service will be considered as one year of service, and less than six months of service will receive no retention points.
- D. Exception to procedure for retention-point calculation
1. If every position in the competitive area is being eliminated, the agency is not required to calculate retention points.
  2. For positions reestablished within one year of the RIF, in the same competitive area and in the same state class title, the agency must calculate retention points at the time of recall using continuous state service and performance appraisal points based on the effective date of the reduction in force.
- E. Retention of Necessary Qualifications
1. No employee with a lower number of retention points shall be retained in preference to another employee in a competitive area and group with a higher number of retention points except when the University determines that a retention of necessary qualifications applies.
  2. If an employee is competing for a position that is not being eliminated and the University asserts that an employee with higher retention points who has rights to be placed in that position cannot satisfactorily perform the duties of the position within a reasonable training period, the employee with lower retention points may be retained in preference to the employee with higher retention points. The University

may determine that the employee with higher retention points will not be able to satisfactorily perform the duties of the job within a reasonable training period based on said employee's lack of knowledge, abilities, skills, supervisory responsibilities or necessary experience.

3. When a retention of necessary qualifications is used in a reduction in force plan, justification for this retention must be documented and approved by the University prior to submitting the reduction in force plan to DSHR for review and approval for procedural correctness. The University should retain documentation to support any retentions made on this basis.

## VI. SEQUENCE FOR REDUCTION IN FORCE

- A. The order of reduction in force of covered employees in each state class title will be determined solely by the accumulation of total retention points.
- B. If two or more employees affected by the reduction in force have the same number of retention points, the date the employee began working for the University will determine their order, the most recent appointee being laid off, reassigned or otherwise affected first. If, after using the University hire date to determine the order of affected employees, a tie still exists, the University will use the last four digits of the affected employees' Social Security numbers to determine who will be retained. The employee(s) with the higher number will be retained.
- C. When covered employees with lower numbers of retention points are bumped from positions with a higher pay band in a state class title series, they will only compete with others for positions in a lower pay band.
- D. If employees in the higher state class titles of a series have sufficient retention points, they will replace employees with fewer retention points and lower state class titles if they have the necessary knowledge, abilities, skills, supervisory or other required experience to perform the duties of the lower level position.

## VII. IMPLEMENTATION OF THE REDUCTION IN FORCE

The University shall communicate the following information to each affected employee after the Division of State Human Resources approves the reduction in force plan for procedural correctness and before the reduction in force becomes effective:

- A. The reason for the reduction in force;
- B. The competitive area(s) and competitive group(s) in which the employee competed;
- C. The benefits to which the employee is entitled and the manner in which the reduction in force will affect the employee's State benefits, (e.g., health insurance, optional life insurance, retirement);
- D. The employee's reinstatement rights, (e.g., reinstatement of all sick leave; option of buying back all, some, or none of the annual leave at the rate at which it was paid out);

- E. The employee's recall rights to any position, within the competitive area, that becomes available in the same state class title as the position the employee held prior to the reduction in force;
- F. The manner in which the University will notify the employee of any such vacancies; and
- G. The requirements of S.C. Code of Laws Ann. Section 8-11-185, which requires the University to report information about the employees separated in a reduction in force to the Division of State Human Resources.

## VIII. RECALL AND REINSTATEMENT

- A. Employees affected by a reduction in force have recall and reinstatement rights to a position in state government for one year after the effective date of the reduction in force.
  - 1. Recall Rights
    - a. If a vacancy occurs within the competitive area which is in the same state class title as a position held prior to the reduction in force, the University will recall those employees in the inverse order of the reduction in force. HREO will notify the appropriate employee in writing of the job offer and recall rights. If the employee does not accept the job offer within ten days, the employee's recall rights are waived. Should the employee accept the job offer, the agency will reinstate the employee's accumulated sick leave and will provide the employee the option of buying back all, some or none of his or her annual leave at the rate it was paid out at the time of the separation. Upon returning to employment in an insurance eligible full-time equivalent (FTE) position, the employee will also be offered insurance benefits as a new hire. The recalled employee may purchase retirement service credit under the leave of absence provision in SC Code of Laws Section 9-1-1140(D) for the period of time that the employee was not employed by state government, at the cost specified in Section 9-1-1140(D). When an employee is recalled, this time will not be considered punitive in the determination of retiree insurance eligibility.
  - 2. Reinstatement Rights
    - a. An employee separated by a reduction in force may apply for any State job for which he/she meets the minimum training and experience requirements. Should the separated employee accept a job offer to an FTE position, the agency will reinstate the employee's accumulated sick leave and will provide the employee the option of buying back all, some or none of his or her annual leave at the rate it was paid out at the time of the separation. Upon returning to employment in an insurance eligible full-time equivalent (FTE) position, the employee will also be offered insurance benefits as a new hire. The reinstated employee may purchase retirement service credit under the leave of absence provision in Section 9-1-1140(D) for the period of time that the employee was not employed by state government, at the cost specified in Section 9-1-1140(D). When an employee is reinstated, this time will not be considered punitive in the determination of retiree insurance eligibility. If the employee is reinstated to

another position, he still retains his or her recall rights to a position in the same state class in the competitive area.

#### VII. COMPENSATION IN A REDUCTION IN FORCE DEMOTION

- A. The pay for an employee who is demoted as a result of reduction in force will be administered in accordance with the University compensation plan for classified employees and the State Human Resources Regulations.

#### VIII. GRIEVANCE RIGHTS

- A. A covered employee who is affected by a reduction in force has the right to file a grievance with the University and an appeal to the State Human Resources Director only if the grievance or appeal is based on improper or inconsistent application of a reduction in force policy or plan.